

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2842 - SB 2667

May 26, 2020

SUMMARY OF ORIGINAL BILL: Adds tickets and coupons to the list of legal instruments that a nonprofit organization is authorized to award as a non-cash prize at charitable gaming events.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (017749): Deletes all language after the enacting clause. Authorizes nonprofit organizations to submit an annual charitable gaming event application to the Secretary of State (SOS) within two calendar days after the effective date of this legislation, for events to be held prior to June 30, 2021. Increases, from 28 to 60 calendar days, the timeframe in which an event is required to be held after the event date listed in the gaming event application for events held from July 1, 2020 through December 31, 2020.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue - \$1,500/FY20-21/Division of Charitable Solutions

Assumptions for the bill as amended:

- The proposed legislation would provide two additional days for nonprofit organizations to file annual charitable gaming event applications with the SOS for events held prior to June 30, 2021.
- Approximately five additional organizations will apply with the SOS within two calendar days after the effective date of this legislation, to conduct an annual charitable event prior to June 30, 2021 as a direct result of this legislation.
- Pursuant to Tenn. Code Ann. § 3-17-104(c)(1) and (2), the SOS collects an annual event application fee, no more than \$700, based on the gross revenue of the annual event. An initial \$50 must be paid when the application is submitted. All application fees are reverted to the Division of Charitable Solicitations (Division).
- Pursuant to Tenn. Code Ann. § 3-17-106(a)(1), nonprofit organizations must pay the remainder of the application fee, minus the initial \$50, within 90 calendar days of the event's conclusion.

- At an average cost of \$300 per application fee, the one-time increase in state revenue to the Division in FY20-21 is estimated to be \$1,500 (\$300 application fee x 5 total organizations).
- A one-time extension of the timeframe in which an annual event is required to be held after the event date listed in the application will not have a significant impact to the policies or procedures of the Division.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/agr